



## AGRICULTURAL BULLETIN

Volume XXV

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Number 5

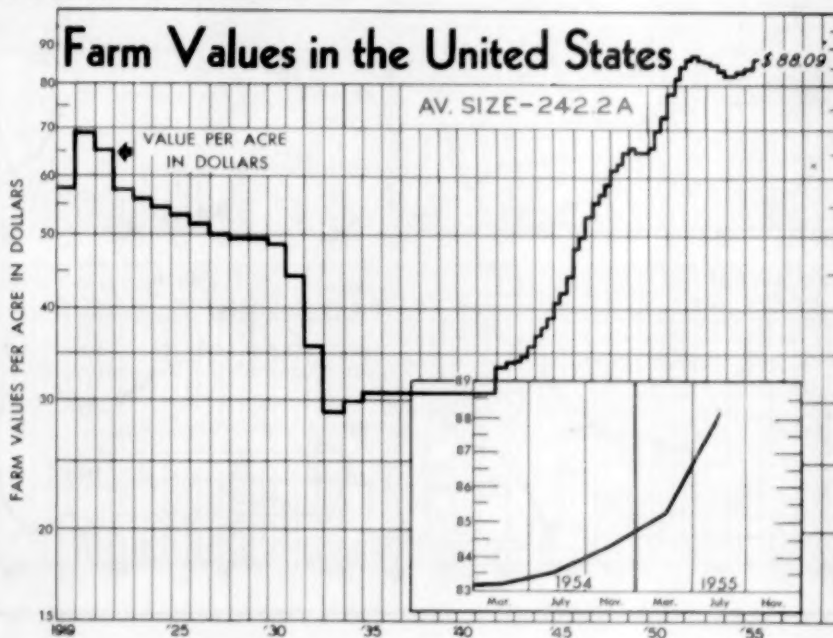
*Real Estate Economists, Appraisers and Counselors*

### FARM VALUES UP 5% IN LAST YEAR

**A**FTER reaching an alltime peak of \$88.09 in 1952, the average value per acre of all farm land went into a slow decline that lasted until early 1954. Since then land values have been on the upgrade, and from July 1954 to July 1955\* rose 5%, reaching their former alltime high.

Participating in this general rise have been 17 States where farm land values are now at an alltime (or postwar) high. Foremost among these are Iowa, Illinois, Kansas, Michigan, Nebraska, and Ohio. Farm land values in the so-called farm belt have never been so high as they are now. Moreover, indica-  
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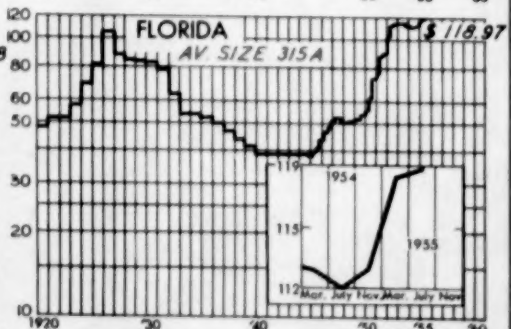
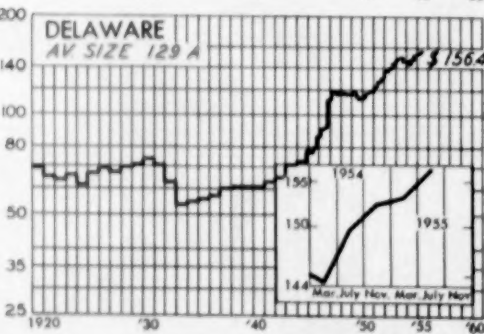
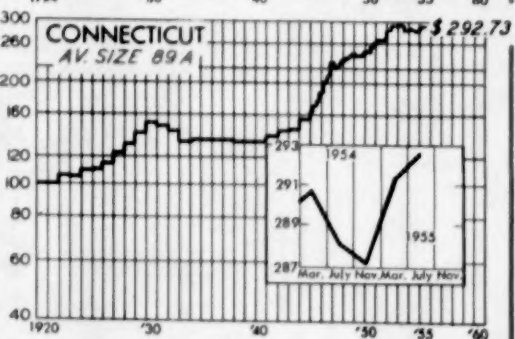
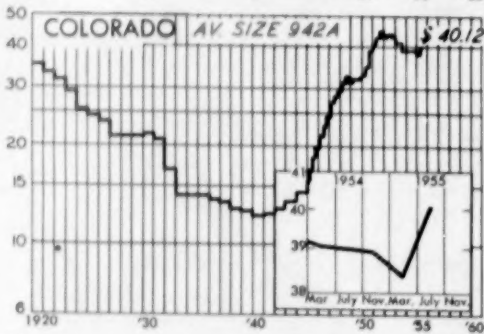
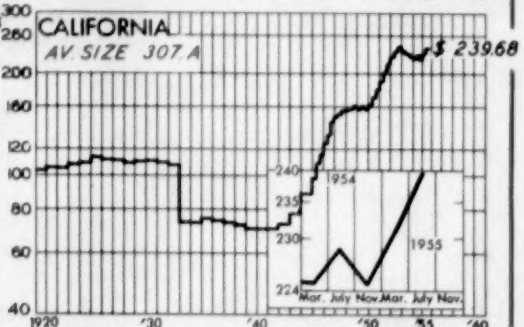
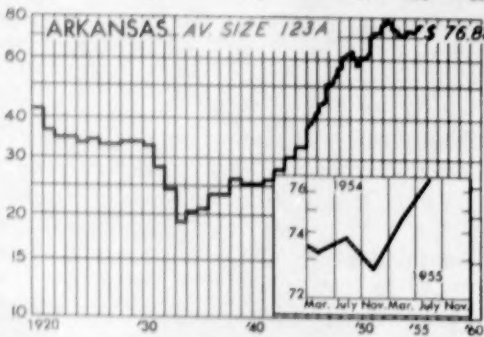
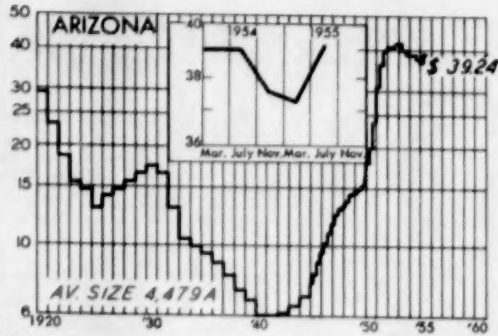
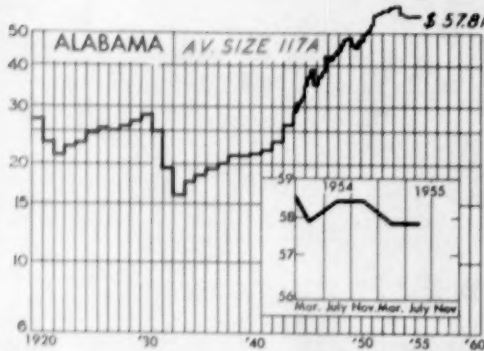
\*The USDA conducts a survey of farm land values in March, July, and November of each year. There has been a delay in the release of the November 1955 figures (now scheduled for release in May 1956). Therefore, July 1955 value estimates are the latest ones available.



# FARM VALUES BY STATES

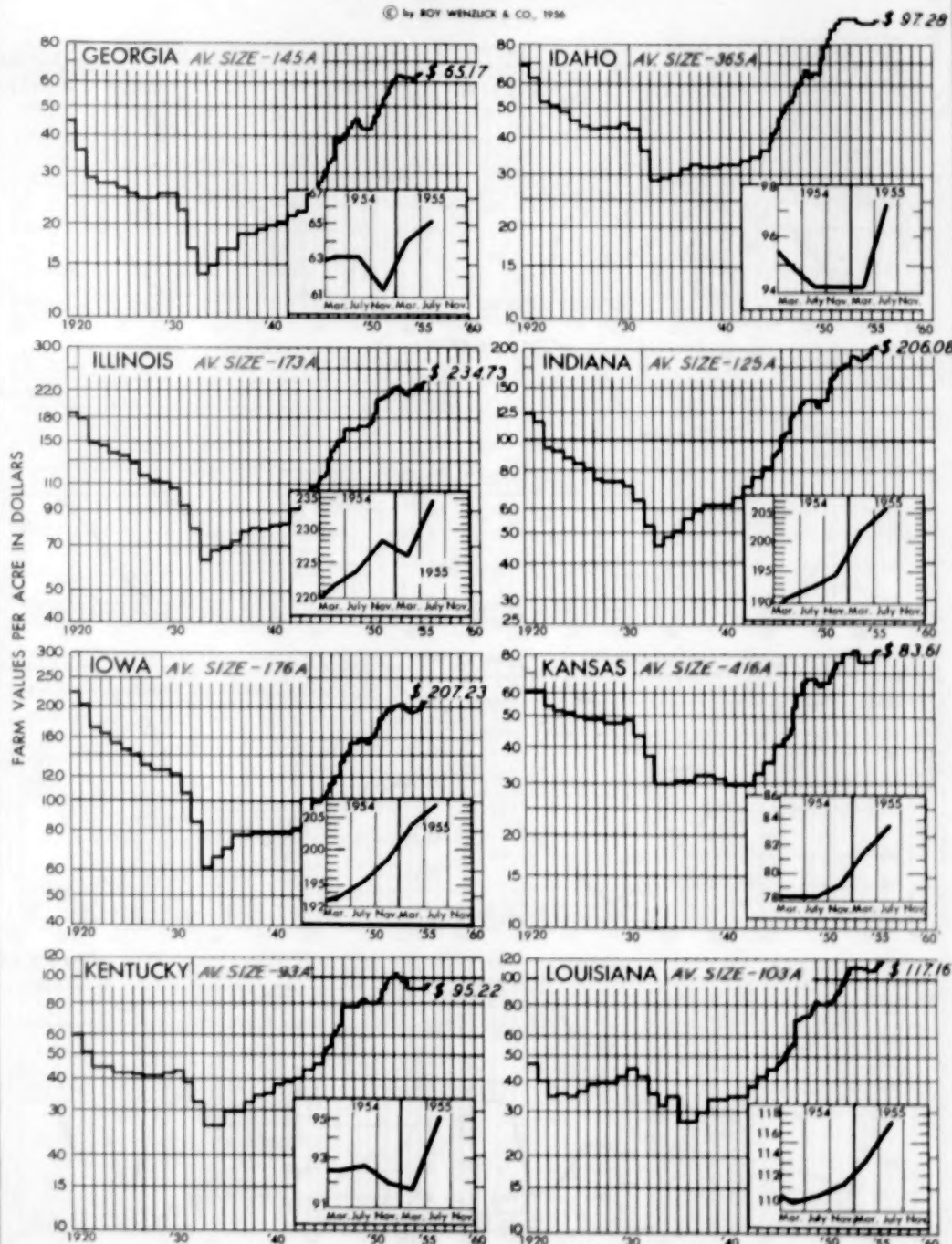
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FARM VALUES PER ACRE IN DOLLARS



# FARM VALUES BY STATES

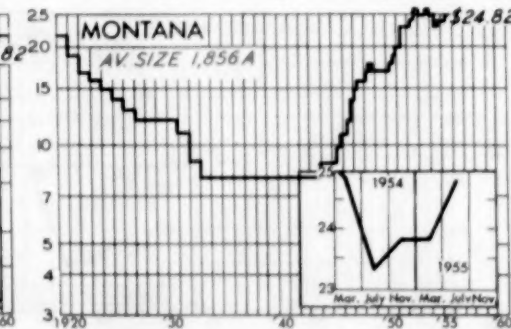
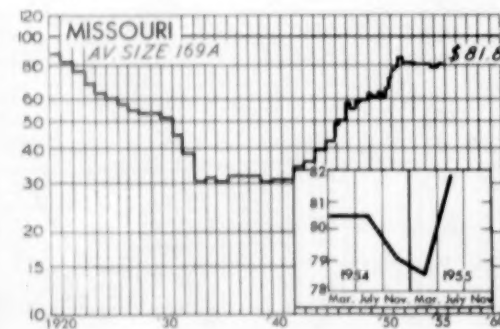
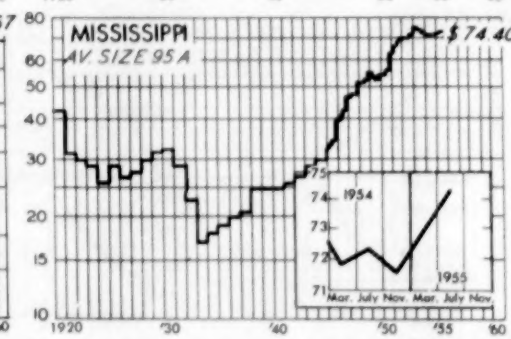
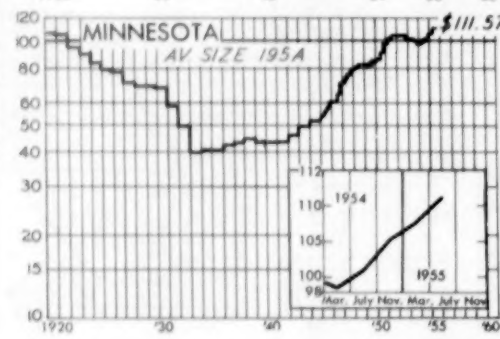
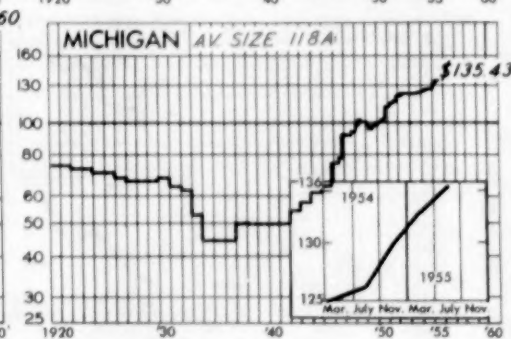
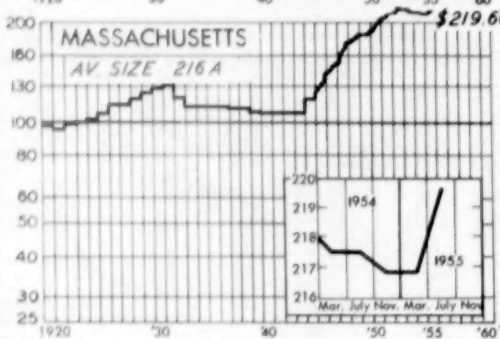
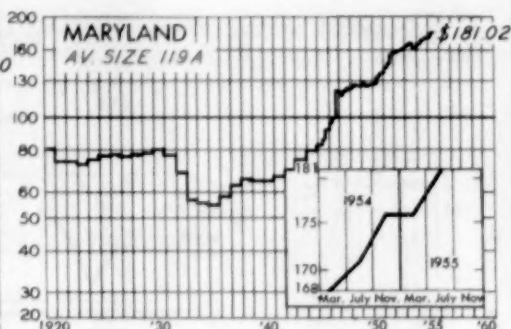
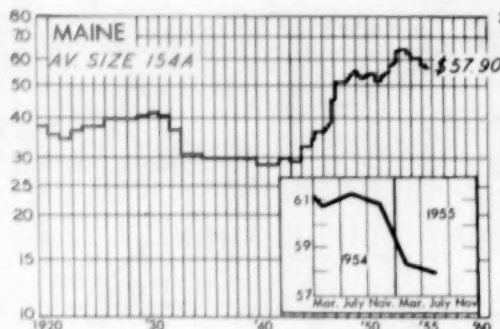
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# FARM VALUES BY STATES

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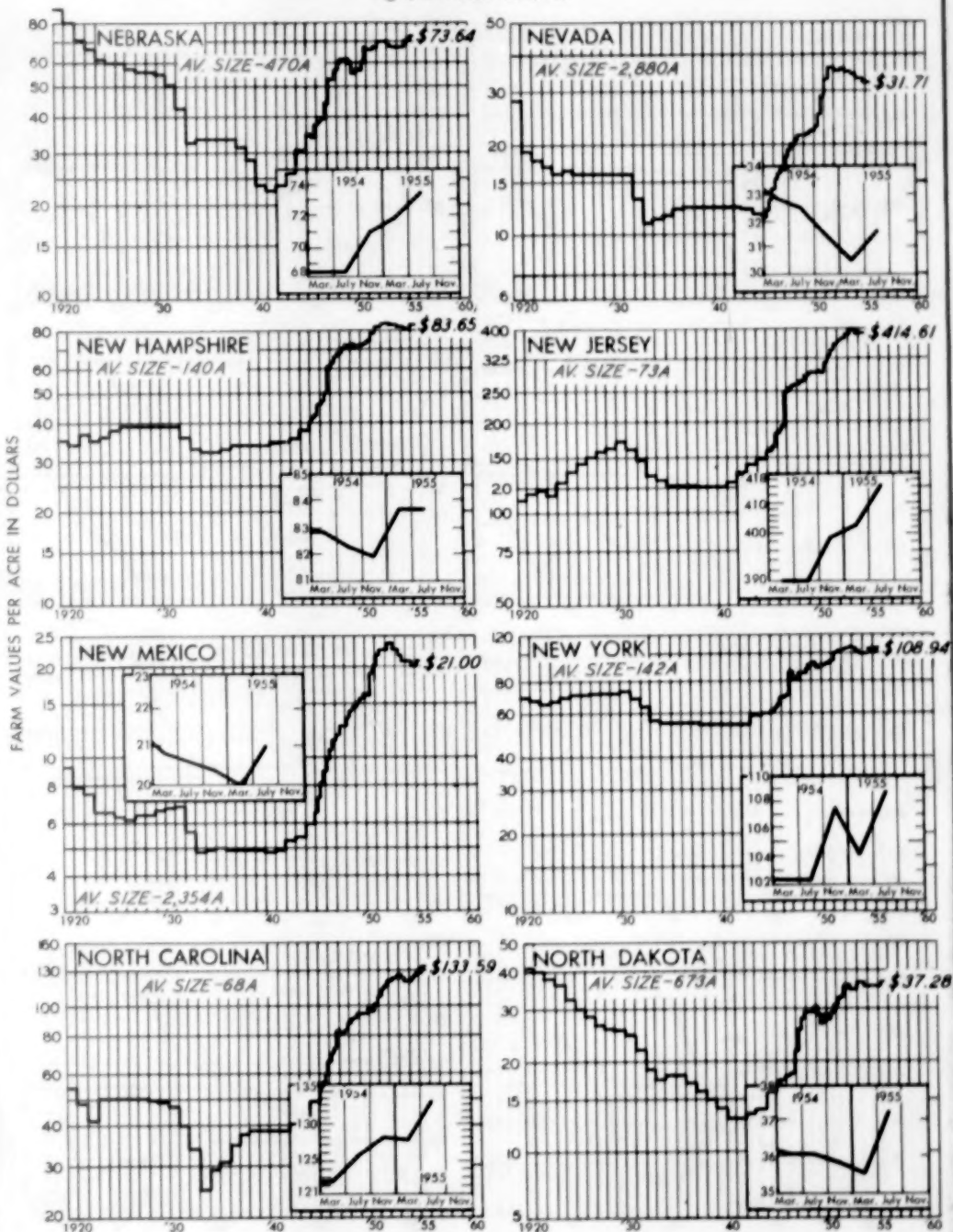
FARM VALUES PER ACRE IN DOLLARS





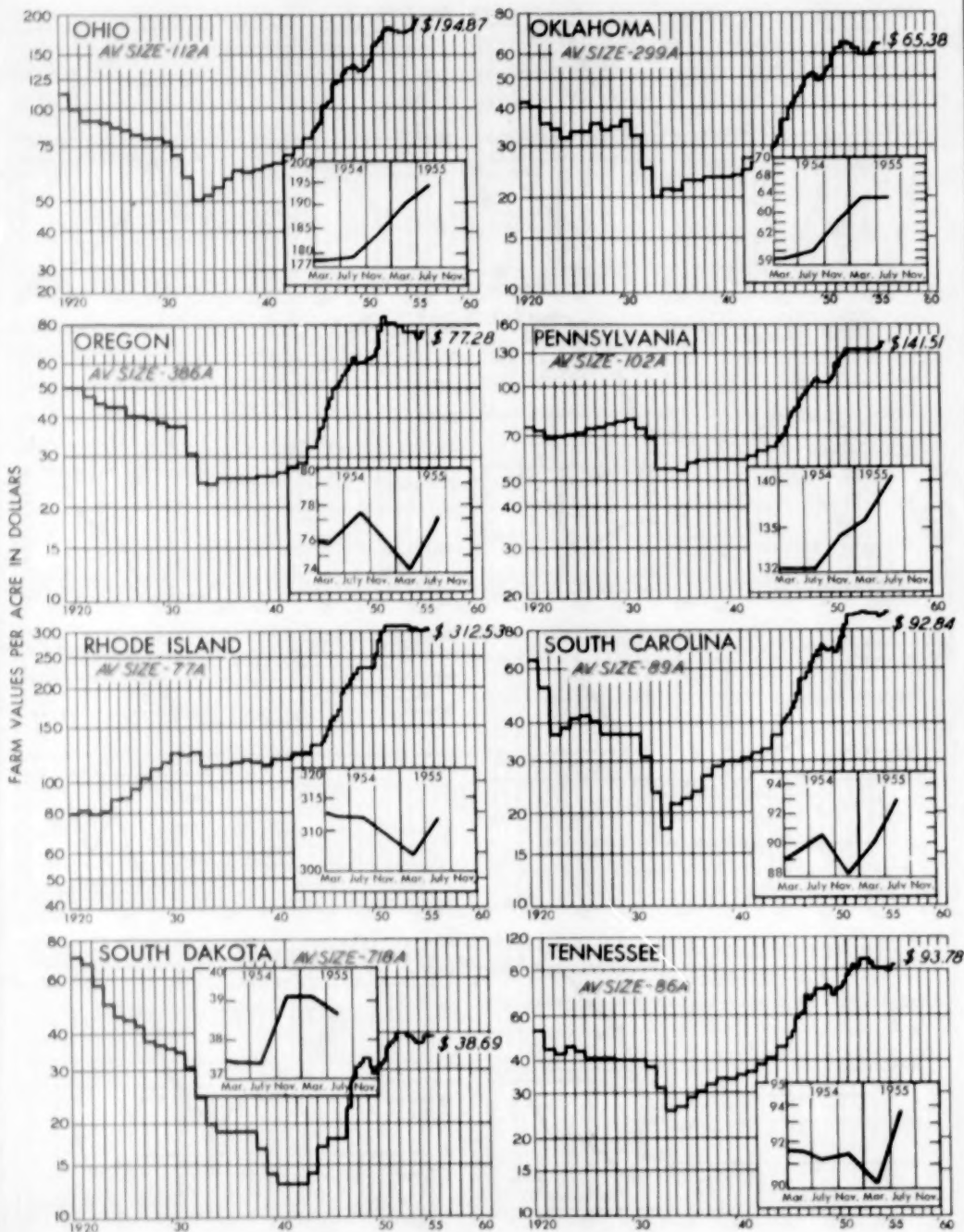
# FARM VALUES BY STATES

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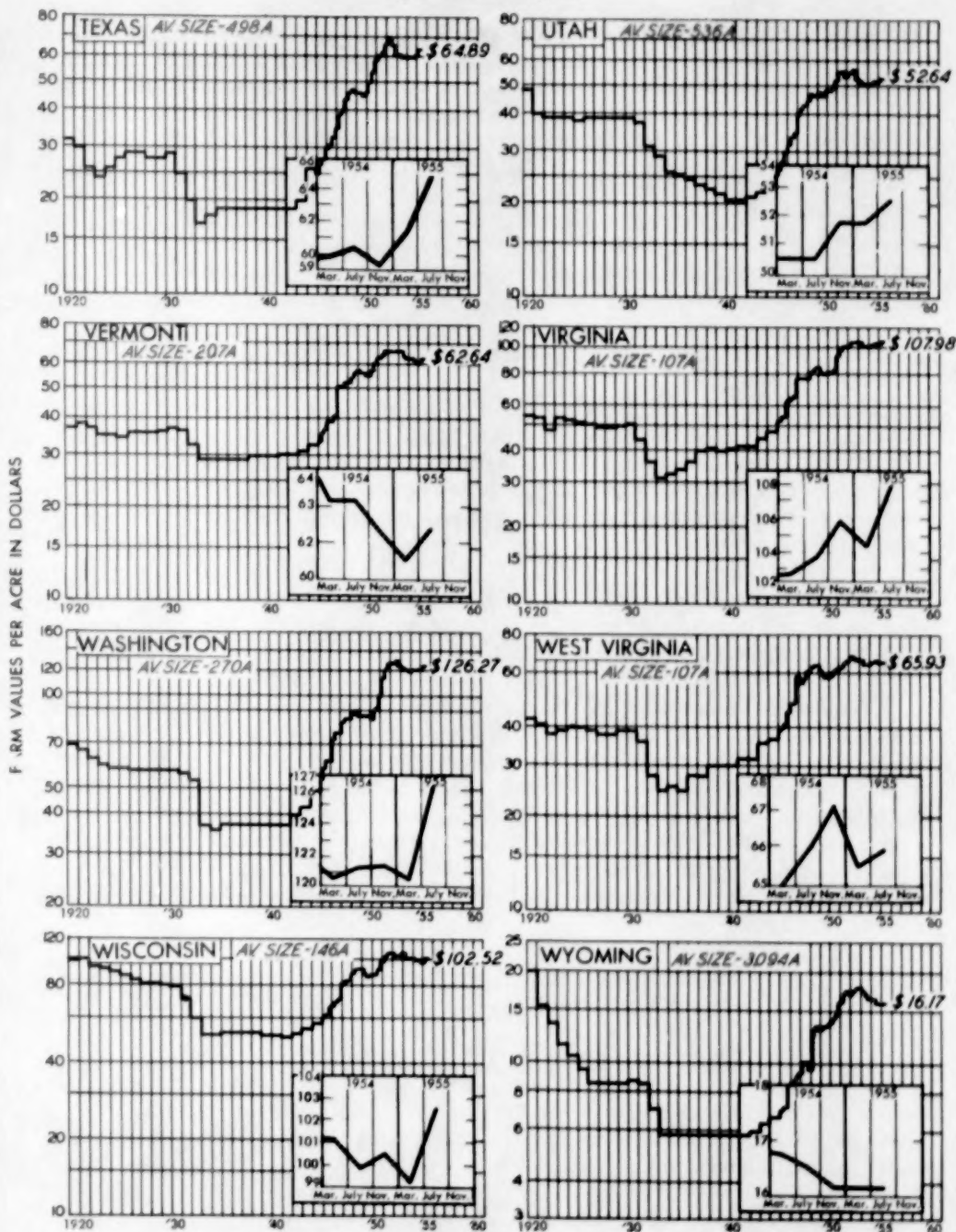
# FARM VALUES BY STATES

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# FARM VALUES BY STATES

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(cont. from page 47)

tions are that these values have been driven to their present level by farmers bidding for more land to increase their operations rather than by city speculators.

Most of the statements about the farmer discuss his falling income, the fact that the farm population is migrating to the cities, and the fact that small farmers are being forced to give up their farms and seek other employment. A great to-do is being made about this. Well, what about it?

First of all, the farmer's income is declining and has been for 3 years. However, a good part of this loss is accounted for by not including his inventory gains. In 1954, farmers held large amounts of crops and livestock off the market. They were building inventories and actually sent fewer products to market than they did in 1953. It isn't surprising that their income dropped, but if their inventory gains had been added in, the drop would have become a 2% rise.

Another view of farm income is obtained by looking at the average net income per capita, or the average net income per farm. Contrasted with the drop of about 20% in total farm net income during the 1952-55 period is a drop of 6.5% in net income per capita and a drop of 3.25% in net income per farm. This is because, although total farm income is lower, it is now being split up among fewer people or among fewer farms.

The fact that people are leaving the farms for the cities is certainly not a new trend, nor has it reached the stage where it should be arrested. We are in no danger of having too few farms or too few farmers.

There is no cause for genuine alarm over the fact that numbers of farmers are being forced out of business. The majority of them are tenant farmers or sharecroppers. They are being forced out by changing methods and more machinery rather than by drops in income. Most of the remaining farmers who quit are those who operated marginal or unproductive farms, and no matter what farm program is finally adopted, there will always be some farmers or some farms incapable of earning an economic return. To keep nonproductive farms in cultivation in order to pile up more surpluses is a waste of manpower, money, and natural resources.

All of this is not to say that no farm problem exists. Like all other businessmen and wage earners, the farmer has some very real problems, and some of them are difficult. They are, however, not insoluble. On the other hand, it is not realistic for the farmers to expect any permanent solution to all of their difficulties. Such a state does not exist for any of us. Furthermore, it makes little sense to attempt to extricate the farmer from his present position by using basically the same methods that put him where he is. However, Congress is apparently determined to try.